

Program A: Mineral Resources Management

Program Authorization: La. Const. Article IX, Sec. 3 -6; R.S. 36:351; R.S. 30:121

Program Description

The State of Louisiana holds title to vast areas of land and water bottoms which produce or have the potential to produce minerals (primarily oil and gas). Leasing of these areas for mineral production provides a large revenue source for the state. The Mineral Resources Management Program provides staff support to the State Mineral Board which ensures that the state is obtaining the highest possible returns from the leasing of these lands. The mission of this program is to provide staff support to the State Mineral Board in granting and administering leases on state-owned lands and water bottoms for the production and development of minerals, primarily oil and gas. The goal of this program is to support the Mineral Board and to ensure that the state-owned lands and water bottoms produce an optimal return on investments for the State of Louisiana annually. There is one activity in this program: Mineral Resources Management.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 2000-2001	ACT 12 2001-2002	EXISTING 2001-2002	CONTINUATION 2002-2003	RECOMMENDED 2002-2003	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$2,533,665	\$2,533,665	\$5,246,906	\$2,509,150	(\$24,515)
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	9,208,222	5,049,551	5,049,551	2,630,344	4,148,147	(901,404)
Statutory Dedications	1,126,390	1,200,000	1,730,044	1,252,105	2,252,105	522,061
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	22,588	129,997	129,997	129,997	129,997	0
TOTAL MEANS OF FINANCING	\$10,357,200	\$8,913,213	\$9,443,257	\$9,259,352	\$9,039,399	(\$403,858)
EXPENDITURES & REQUEST:						
Salaries	\$2,799,593	\$3,075,839	\$3,041,435	\$3,137,697	\$3,195,536	\$154,101
Other Compensation	179,477	20,394	20,394	20,394	20,394	0
Related Benefits	564,829	513,353	508,880	641,941	744,673	235,793
Total Operating Expenses	527,800	582,793	582,793	595,339	622,395	39,602
Professional Services	326,390	620,000	1,150,044	620,000	620,000	(530,044)
Total Other Charges	5,926,335	4,100,834	4,100,834	4,243,981	3,814,401	(286,433)
Total Acq. & Major Repairs	32,776	0	0	0	22,000	22,000
Unallotted			38,877			(38,877)
TOTAL EXPENDITURES AND REQUEST	\$10,357,200	\$8,913,213	\$9,443,257	\$9,259,352	\$9,039,399	(\$403,858)
AUTHORIZED FULL-TIME EQUIVALENTS: Classified	76	80	79	79	78	(1)
Unclassified	1	1	1	1	1	0
TOTAL	77	81	80	80	79	(1)

SOURCE OF FUNDING

This program is funded with State General Funds, Fees and Self-generated Revenues, Statutory Dedications and Federal Funds. Statutory Dedications are from the Mineral Resources Audit and Collection Fund, (Per R.S. 30:136.3), the Legal Support Fund, (per R.S. 30:136.2), and the Deficit Elimination Fund, based on Act 1182 of 2001 which provides funds to eliminate any deficit that occurs in the Office of Group Benefits from operations in Fiscal Year 2001-2002. (Per R.S. 39:36B.(8)). The table below lists Statutory Dedications expended from each fund.

	ACTUAL	ACT 12	EXISTING	CONTINUATION	RECOMMENDED	RECOMMENDED
	2000-2001	2001-2002	2001-2002	2002-2003	2002-2003	OVER/(UNDER)
						EXISTING
Mineral Resources Audit and Collection Fund	\$800,000	\$1,200,000	\$1,730,044	\$1,200,000	\$2,200,000	\$469,956
Legal Support Fund	\$326,390	\$0	\$0	\$0	\$0	\$0
Deficit Elimination Fund	\$0	\$0	\$0	\$52,105	\$52,105	\$52,105

MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$2,533,665	\$8,913,213	81	ACT 12 FISCAL YEAR 2002-2003
			BA-7 TRANSACTIONS:
\$0	\$530,044	0	BA-7 #49 - Carry forward Statutory Dedications in Legal Support Fund to FY '02 for payments on contracts not completed prior to the end of the FY '01.
\$0	\$0	(1)	BA-7 #236 - Act 844 position reduction
\$2,533,665	\$9,443,257	80	EXISTING OPERATING BUDGET - December 20, 2001
\$0	\$48,245	0	Annualization of FY 2001-2002 Classified State Employees Merit Increase
\$0	\$67,270	0	Classified State Employees Merit Increases for FY 2002-2003
\$0	\$20,352	0	Risk Management Adjustment
\$0	(\$530,044)	0	Non-Recurring Carry Forwards
\$140,432	\$140,432	0	Rent in State-Owned Buildings
\$290,435	\$290,435	0	Salary Base Adjustment
(\$137,125)	(\$137,125)	0	Attrition Adjustment
(\$249,572)	(\$249,572)	0	Salary Funding from Other Line Items
(\$68,685)	(\$114,492)	(2)	Gubernatorial Position Reduction
\$0	(\$17,637)	0	Other Adjustments -
\$0	(\$39,969)	0	Act 844 Reduction
\$0	\$52,105	0	Group Benefits Adjustment for Deficit Elimination Fund
\$0	\$18,500	0	Annualization of Lafayette Rent
\$0	\$20,000	0	Additional Lateral Filing Cabinets for LaSalle Building
\$0	\$27,642	1	Provide Information Services and Lease Record Information in Lafayette Office
\$2,509,150	\$9,039,399	79	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$2,509,150	\$9,039,399	79	BASE EXECUTIVE BUDGET FISCAL YEAR 2002-2003

SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:

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MAJOR FINANCIAL CHANGES

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$2,509,150	\$9,039,399	79	GRAND TOTAL RECOMMENDED

PROFESSIONAL SERVICES

\$600,000	Legal, accounting and other professional services to recover mineral underpayments in accordance with Act 1293 of 1995.
\$20,000	Information technology consultation - royalty accounting and lease information systems
\$620,000	TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

\$173,630	Computer Enhancements, Digitization and Data Processing
\$650,000	Computer Enhancements - SONRIS Applications
\$3,395	Recordation of lease and other documents for the re-leasing of state acreage
\$30,000	Staff Training
\$73,901	Plant audit
\$70,000	To assist the department in correcting and verifying lease title so property can be re-leased
\$65,000	Lease office space in Dallas and Houston from the Dept. of Revenue, including DSL lines, phone lines, and other related operating services
\$1,065,926	SUB-TOTAL OTHER CHARGES
	Interagency Transfers:
\$1,456,619	DNR, Office of the Secretary, Management and Finance - Indirect Cost
\$71,143	DNR, Office of the Secretary, Management and Finance - Legal Support
\$250,000	LSU for GIS Support
\$970,713	LaSalle rent to Office of the Secretary
\$2,748,475	SUB-TOTAL INTERAGENCY TRANSFERS
\$3,814,401	TOTAL OTHER CHARGES

ACQUISITIONS AND MAJOR REPAIRS

\$20,000	Lateral File Cabinets
\$2,000	Computer for Lafayette Office
\$22,000	TOTAL ACQUISITIONS AND MAJOR REPAIRS